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INFORMATION REPORT

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MANAGEMENT AT PLANT NO. 393

Planning Procedures

1. Plant No. 393 (it was also called the Sorki Zavod) was under the control of a ministry for machine construction. The Soviet employees always used this term in referring to the ministry which supervised the plant. [redacted]

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25X1 [redacted] there
25X1 is more than one ministry for machine construction in the Soviet
25X1 Union. In this connection, [redacted] a certain
25X1 SEROV was a high ministerial official who visited the plant on
25X1 several occasions.

2. The German specialists at Plant No. 393 were grouped together
in a single shop after 1948. The German shop, engaged primarily
in developing experimental optical equipment, operated quite in-
dependently from the rest of the plant. [redacted]
25X1 [redacted] The shop chief, his administrative as-
25X1 sistants, and several workers were the only Soviets employed in
the shop.

3. Monthly production plans for the German shop were drawn up in
the plant's planning office. These plans were based on orders
submitted directly from the ministry as well as from other shops
within the plant. The plans were drawn up only on a monthly
basis. None of the projects undertaken by the German shop were
of a long enough duration to warrant quarterly or yearly pro-
duction plans.

4. Once a plan was established, it was forwarded to the Soviet
shop chief for execution. He was primarily responsible for
supervising plan fulfillment within the various sections of
the German shop. Party representatives were also charged with
certain plan control functions. When it became apparent that
the shop or a particular section was not keeping up with its
production schedule, the workers were called to a meeting where
they were addressed by the shop chief, and the Party and trade
union representatives within the shop. They usually announced
that we would have to work overtime if the plan were to be ful-
filled. The question of overtime was then put to a vote of the
assembled workers. Needless to say, it was always unanimously
approved. In theory, a Soviet supervisor could not order a
worker to work overtime without the approval of the plant zavkom.
This was a mere formality, as in reality it was simply necessary
for the shop boss to give the order and the work would be done.

5. Some sections of the German shop, as well as Soviet elements with-
in the plant, frequently failed to meet their monthly production
goals. This was primarily due to delivery failures. German and
Soviet sections within the plant, which were engaged in assem-
bling optical equipment, seldom received the necessary raw material
or parts to begin their operations at the beginning of each
month. Manufacturing sections within the plant generally failed
to deliver parts until the middle of a monthly production period.
As a result, the workers employed in these assembly sections sat
around with nothing to do for the first two weeks. When deliver-
ies were finally made during the remainder of the month, they
had to work furiously in order to fulfill their production quotas.
Faulty planning and organization were to blame for this situation.
When a particular section failed to keep up with its production
schedule, then the operations of other sections (such as assembly
lines) which were dependent on its output were slowed down.

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6. On several occasions, a vital part was unavailable in any quantity at the time of the assembly of optical instruments. The instruments were assembled without the part and shipped out as they were. The missing part was sent to the receiving agencies two or three months later.
7. Failure to procure necessary raw materials caused even more serious production breakdowns. This was particularly true of copper and tube aluminum. This situation was probably the result of a faulty procurement system, as this material was obtained from outside agencies. On the other hand, it is entirely possible that there was a general shortage of copper and tube aluminum in the USSR. A shop boss received a bonus for the fulfillment or overfulfillment of monthly plans. He, therefore, had a vested interest in plan fulfillment by his shop. This system led to a great deal of collusion and mutual aid among the various shop bosses. The chief of the Soviet optical shop was in a favorable position in this respect, as he had at his disposal large amounts of industrial alcohol. He frequently distributed alcohol as favors to other shop bosses who helped him out in fulfilling rush orders. Unfortunately, he also imbibed heavily of the stuff himself and, in addition, sold it for personal profit. He was apprehended and was demoted to janitor. However, his good contacts evidently paid off as he was back in another leading post in the plant within three months.

25X1 8. [redacted] this system of planned production on a monthly basis was probably the best arrangement for Soviet industry. [redacted]

25X1 [redacted] According to this system,
25X1 each shop chief was solely responsible for production within his shop. This responsibility was expressed in specific concrete production figures, which prevented a shop boss from shifting blame to someone else's shoulders. The latter point was reinforced by the fact that all shops operated according to production schedules based on a calendar month.

9. The lack of conscientiousness of the average Soviet nachalnik was the principal factor necessitating this system. Unconscientiousness also necessitated the establishment of concrete production norms for each individual worker. The norm system related wages directly to quantity of production and thus utilized the sole concern of the average Soviet worker—to earn an extra ruble. Otherwise, the average worker would simply not exert himself and would "pass the buck" when he failed to produce.
10. Certain inefficiencies were created by the inflexibility of Soviet planning procedures. The planning system was also heavily bureaucratic. There was an enormous excess of Soviet employees in our plant who were engaged in supervisory or control functions of one type or another. Soviet management was concerned with checking many petty operations which would never be given a second thought in a German plant.

Party Activities

11. There was a Party committee at Plant No. 393 which was responsible for the operations of the Communist Party within the plant. [redacted]

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12. There was a Party representative in each shop within the plant. Engineers or zammachalniki generally filled these posts. The zammachalnik was the Party representative in our shop. However, a zammachalnik was not necessarily a Party representative. An individual in the former position acted as an expeditor for the entire shop. He was responsible for maintaining the required stocks of materials and parts. If a part was not on hand or was not being delivered, he made efforts to break the bottleneck. He also checked on the plan fulfillment progress of the various sections within his shop.
13. In addition to the local Party representative, there was a Party committee, or aktiv, in each shop. A Party aktiv was composed of three or four Party members who generally were engineers or office workers. An aktiv was concerned with all workers within a shop and not simply with other Party members.
14. The holding of shop meetings was the primary function of the Party aktiv and representative. These meetings were a joint endeavor of the shop boss, the Party representative, and the trade union representative. They served the primary purpose of informing the workers of production plans and arousing them to greater production efforts. A normal meeting started out with a brief political talk dealing with the events of the day, such as the war in Korea or the latest price reduction. The shop boss or Party representative then came forth with a series of criticisms of shop operations and suggestions for improvement. A meeting ended with an appeal to workers to fulfill their plan. Actually, these meetings were infrequently held in the Soviet shops of the plant. Due to the over-ambitious efforts of certain members of the Antifa (Antifaschister Arbeitskreis) within our group, the German shop was far more active in this respect than Soviet sections of the plant.
15. The Party representative and aktiv also held special ceremonies on a shopwide basis on the occasion of major Soviet holidays. They saw to it that the shop was decorated with political banners and slogans a week before the holiday. Then the shop was thoroughly swabbed down and cleaned on the day preceding the holiday. Propaganda leaflets and other printed material were also distributed at this time. In fact, printed propaganda was only distributed on such occasions. The preparations were climaxed on the holiday itself by a one- or two-hour meeting which consisted of speeches on political and production themes.
16. The Party (presumably the plant committee) also conducted political courses for Party members on an obligatory basis and for non-Party members on a voluntary basis. Shop Party representatives also participated in, but did not direct, the annual State loan drives. The collection of these "volunteer contributions" was the responsibility of a shop boss and his assistant. The Soviet workers and employees "volunteered" on the average one month's salary to each State loan. [redacted] no Soviet worker or employee failed to contribute.

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17. Each shop within Plant No. 393 also issued its own so-called wall newspaper. A wall newspaper was composed and published by an office worker in a shop and not by the Party aktiv. These wall newspapers were published at intervals varying from two weeks to three months.

WORKING CONDITIONS AT PLANT NO. 393

Labor Controls and Incentives

18. Plant No. 393 normally operated on a schedule of eight hours per day, six days per week. Shops in the Soviet sector of the plant engaged in producing parts worked in two eight-hour shifts, morning and evening. Many, if not most, Soviet workers in the plant were required to work overtime. This was particularly true at the end of each month, when special efforts had to be made to fulfill production plans.

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19. Tardiness was seldom a problem at Plant No. 393, at least not in the German shop.

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tardiness worked to the detriment of an offender in respect to the distribution of bonuses. A shop chief had a limited amount of funds at his disposal which could be distributed as bonuses. In deciding the distribution of such funds, the shop chief naturally disqualified those from consideration who had received a black mark against them in one form or another in the course of a month's operations.

20. Despite indications to the contrary, which might be received in casually reading the Soviet press, "socialist competitions" were not a frequent occurrence at Plant No. 393. There were two general types of competitions which were carried out at our plant. Either brigades, sections, or shops engaged in contests with one another; or individual brigades, sections, or shops pledged on an individual basis to fulfill their plans ahead of schedule, to reduce costs, etc. These measures were announced at shop meetings which were held at periodic intervals. The meetings were convoked by a shop chief, or the shop's Party or trade union representative, depending on the circumstances. A resolution to engage in a given competition was "put to vote" of the assembled workers and was always unanimously "approved".

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21. [redacted] no change either in the production efforts of Soviet workers or in their attitude toward work which could be attributed to socialist competitions. Soviet workers evidently regarded such measures as merely part of the daily routine. In general, [redacted] socialist competitions had neither a positive nor negative effect on operations at Plant No. 393, even when bonuses were awarded to the winning brigades or shops. The average worker evidently felt that his own efforts would be of no importance in determining the outcome of such contests. As a result, these measures served the primary purpose of furnishing a job chief with a propaganda stick which could be used to keep the workers on the job.

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Salaries and Wages

22. It is difficult to cite average or typical wages of Soviet workers at Plant No. 393. First, the Soviet workers were assigned to various wage categories which determined wage differences on a broad scale. Secondly, the wages of all Soviet workers varied according to the degree of norm fulfillment. [redacted] the average Soviet lathe operator or assembler received from 600 to 800 rubles per month. A few skilled workers earned as little as 400 rubles per month. This was true of lazy individuals as well as inefficient workers whose products were frequently rejected by plant inspectors. Soviet skilled workers rarely earned as much as 1300 rubles per month. Perhaps no more than four or five Soviet skilled workers at Plant No. 393 earned as much as 2000 rubles in a month. [redacted] female workers and employees received the same wages or salaries as men performing the same work.
23. A Soviet shop chief was paid from 1200 to 1400 rubles per month, a relatively low basic salary. However, the average shop chief probably received from 1000 to 1500 rubles per month in bonuses, over and above his basic salary.
24. Soviet workers designated as Stakhanovites generally worked longer hours and did better work than the average worker. They received extra-large bonuses on the occasion of major Soviet holidays. Otherwise they were given no special treatment. Their production efforts evidently had no effect in raising norms, as this matter was determined by a norm commission within the plant. However, some workers complained to me that Stakhanovites were favored by the plant management, that they received overly large bonuses while other workers received nothing.
25. Production norms were established by norm engineers who were assigned to each shop within Plant No. 393. From one to three norm engineers were employed in a shop, depending on the size of the unit and the regularity of its work. For unrepentive and unique work (for example, machining a part for an experimental optical instrument), the norm engineer compared the blueprint with its nearest equivalent in the norm code. This code or catalog established the norms for repetitive and standardized work in the optical and precision mechanics industry. Inasmuch as these industry-wide norms could not cover all possible types of operations, the engineer in such cases as these merely used the norm code as a guide. He was responsible for the final determination of the norms.
26. A worker who received such an assignment and found that he had only earned 200 rubles by the middle of the month could sometimes persuade the norm engineer that his evaluation of the norm had been incorrect and that it should be lowered. On the other hand, if the norm engineer observed that a worker had already earned 900 rubles by the twentieth of the month, he juggled

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the norm in such a way as to reduce the worker's earnings in the last 10 days of the month. Such a step was often followed by a long and noisy quarrel between the norm engineer and the worker concerned. However, these squabbles were quickly forgotten the next day.

27. The norms for repetitive and standardized work which closely conformed to work operations covered in the norm code were more easily established and kept in balance.
28. An office in Plant No. 393 dealt with the questions of norms on a plant-wide level. Norm engineers from the various shops within the plant were periodically summoned to a meeting by this office in order to discuss the question of raising production norms. Norms were never lowered to my knowledge. Although it appeared that norms were directly or indirectly established in accordance with industry-wide standards, Plant No. 393 was evidently the only Soviet plant engaged in certain operations of the optical industry. This fact may explain the apparent contradiction between the establishment of norms according to an industry-wide code and local decisions to raise norms.
29. Soviet workers frequently complained about the increasing of production norms. To my knowledge, the money wages of Soviet workers of Plant No. 393 decreased after the currency reform due to the policy (introduced after 1947) of raising production norms. Soviet workers as well as German specialists were also aware of the fact that norms were frequently raised at Plant No. 393 shortly after the introduction of price reduction laws.
30. A bonus was distributed to a Soviet shop whenever it fulfilled its monthly production plan ahead of schedule. The shop boss and his administrative staff decided how a bonus was to be distributed among the various workers and employees. The shop kollektiv was not consulted on these matters. A few workers received a share of these bonuses, although the bulk was distributed to the shop boss, his assistant, other staff and office workers, and engineers. However, 95% of all workers and employees in a Soviet shop received bonuses on the occasion of May Day, the anniversary of the October Revolution, and Stalin's birthday. Even shops which had not distinguished themselves in the given month under consideration received bonuses on such occasions. They were given credit for production successes in previous months. During the other nine months of the year, perhaps only 10% of the workers in a shop which overfilled its plan received bonuses. Bonuses for individual workers ranged from 100 rubles to 500 rubles per month.

Employment Controls

31. According to law, Soviet workers and employees were free to select their place of employment. This was not the case in practice. First of all, the average worker

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was not able to save enough money to move from one job to another. Some Soviet workers at Plant No. 393 did not even have enough money to travel to Moscow, 25 kilometers away. Secondly, an individual also had great difficulty finding housing when taking up new employment in another city.

32. More important, a plant manager was empowered to veto the transfer of one of **his** employees. A statement from the plant management that it had important production plans to fulfill and that the individual worker's departure would lessen the possibility of their fulfillment was all that was required to justify such a veto. In such cases, a Soviet worker was theoretically entitled to lodge a complaint with the trade union. However, such a step was senseless, as the local trade union committee was for all practical purposes a part of the plant management. Evidently the management of Plant No. 393 seldom found it necessary to take such a step. Few workers demonstrated any intention of seeking a job elsewhere. There was a low turnover of Soviet workers and employees at Plant No. 393.
33. Finally, the supervisory ministry sometimes ordered workers at Plant No. 393 to change their place of employment. Plant No. 393, originally located at Krasnogorsk, was moved to Novosibirsk during the war. Workers and employees at the plant were also evacuated at this time. When the plant was reestablished in Krasnogorsk after the war, only some workers were allowed to return. These were supposedly Party members and others in good standing with the plant management. Moreover, Soviet workers at the Krasnogorsk plant were occasionally transferred to Novosibirsk by order of the ministry during my period of employment there. Workers receiving such orders seemed to accept them without complaint or at least fatalistically.

Paramilitary Training

34. Some civilians, presumably plant workers, engaged in military training after working hours at Krasnogorsk. This instruction, which was initiated in about 1950, was carried out under the supervision of military officers. [redacted] this training unit had a tank, artillery, and an airplane (which did not fly) at its disposal for instruction purposes. The trainees also took part in infantry maneuvers in nearby forests. Most of the training was conducted during the summer. The group met at irregular intervals, sometimes every evening, at other times twice a week.

Capabilities of Soviet Workers

35. [redacted] only 10% of the Soviet workers at Plant No. 393 were capable of carrying out work assignments independently. The other 90% of the workers had to be guided and supervised in their production efforts. However, [redacted] it is extremely difficult to generalize about such a matter, as the Soviet workers were by no means uniform in respect to their professional capabilities.

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36. The greatest asset of Soviet workers was their ability to work long hours at tasks requiring strenuous physical effort, sustained by perhaps just a salted piece of bread at lunch. Some workers on the normal daytime shift occasionally worked as late as 0400 hours, slept three hours or so at the plant, and were back at the job again at 0830 hours.
37. The weakest characteristic of the average worker was his inability to perform precision mechanical work. His work was sloppy and inaccurate. This was probably not due to any innate lack of conscientiousness on his part. He simply could not learn that accuracy and not volume was important in the optical industry. The Soviet girls engaged in mechanical work learned more quickly than their male counterparts. They could master an operation after a single explanation. When matters went wrong, they never failed to find the answer from someone who knew. The Soviet male workers seldom displayed such initiative.

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